
TOWN OF OXFORD, CONNECTICUT

Annual Financial Statements

For the Year Ended June 30, 2021

TOWN OF OXFORD, CONNECTICUT
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Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of Oxford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Oxford, CT, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Oxford, CT's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Oxford, CT, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–9, and Pension and OPEB schedules on pages 47-51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

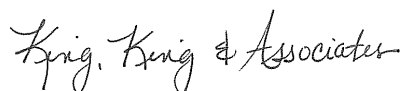
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Oxford, CT's basic financial statements. The General Fund Schedules of Revenues and Expenditures (Budgetary Basis) and combining and individual fund financial statements and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The General Fund Schedules of Revenues and Expenditures and combining and individual fund financial statements and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund Schedules of Revenues and Expenditures and combining and individual fund financial statements and supplemental schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The other supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2022, on our consideration of the Town of Oxford, CT's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Oxford, CT's internal control over financial reporting and compliance.



King, King & Associates, P.C., CPAs
Winsted, CT
January 7, 2022

TOWN OF OXFORD, CONNECTICUT
Management's Discussion and Analysis
June 30, 2021

As management of the Town of Oxford, CT, we offer readers of the Town of Oxford, CT's financial statements this narrative overview and analysis of the financial activities of the Town of Oxford, CT for the fiscal year ended June 30, 2021.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town of Oxford, CT exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$84,838,405 (*net position*). Of this amount, \$275,188 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors. Restricted Net Position of \$2,087,150 is restricted for various programs such as housing rehab loans, land acquisition, and other purposes.
- As of the close of the current fiscal year, the Town of Oxford, CT's governmental funds reported combined ending fund balances of \$14,632,725, an increase of \$12,636,355 in comparison with the prior year mainly due to the new Bond Anticipation Note of the Middle School Project now being reported as a long-term liability (see Note 8).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$7,465,767 or 15.7 percent of total General Fund budget basis expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Oxford, CT's basic financial statements. The Town of Oxford, CT's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Oxford, CT's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town of Oxford, CT's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator whether the financial position of the Town of Oxford, CT is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position is changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town of Oxford, CT that are principally supported by intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Town has no business-type activities. The governmental activities of the Town of Oxford, CT include education, public safety, general government, public works, conservation of health, public activities, library, and solid waste. Property taxes, state and federal grants, and local revenues such as fees and licenses finance most of these activities.

TOWN OF OXFORD, CONNECTICUT
Management's Discussion and Analysis
June 30, 2021

The government-wide financial statements can be found on pages 10-11 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Oxford, CT, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Oxford, CT are classified as governmental funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

The Town of Oxford, CT, maintains a number of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital and Nonrecurring Expenditures fund, Middle School Project Fund, and the ARPA Grant Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of Oxford, CT, adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 12-16 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17-46 of this report.

TOWN OF OXFORD, CONNECTICUT
Management's Discussion and Analysis
June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Oxford, CT, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$84,838,405 at the close of the most recent fiscal year.

SUMMARY STATEMENT OF NET POSITION

	<u>2021</u>	<u>2020</u>	Variance
Current and Other Assets	\$ 24,965,781	\$ 32,427,042	\$ (7,461,261)
Capital Assets	<u>133,413,337</u>	<u>125,174,258</u>	<u>8,239,079</u>
Total Assets	<u>158,379,118</u>	<u>157,601,300</u>	<u>777,818</u>
Deferred Outflows of Resources	<u>6,390,438</u>	<u>6,219,988</u>	<u>170,450</u>
Other Liabilities	7,328,579	27,133,150	(19,804,571)
Long-Term Liabilities	<u>67,859,972</u>	<u>49,341,475</u>	<u>18,518,497</u>
Total Liabilities	<u>75,188,551</u>	<u>76,474,625</u>	<u>(1,286,074)</u>
Deferred Inflows of Resources	<u>4,742,600</u>	<u>4,172,462</u>	<u>570,138</u>
Net Position:			
Net Investment in Capital Assets	82,476,067	79,709,528	2,766,539
Restricted	2,087,150	1,923,551	163,599
Unrestricted	<u>275,188</u>	<u>1,541,122</u>	<u>(1,265,934)</u>
Total Net Position	<u>\$ 84,838,405</u>	<u>\$ 83,174,201</u>	<u>\$ 1,664,204</u>

The largest portion of the Town's net position reflects its investment in capital assets (land, buildings, machinery and equipment, and infrastructure assets such as roads and bridges) less any related debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to its citizens; consequently, these assets are not available for spending. Net investment in capital assets increased by \$2,766,539 primarily due to the capital additions related to the Middle School Construction Project which are being funded by grants and the additions of long and short-term debt.

The Town's restricted net position of \$2,087,150 increased by \$163,599 compared to last years restricted net position of \$1,923,551.

The Town's unrestricted net position of \$275,188 decreased by \$1,265,934 compared to last years unrestricted net position of \$1,541,122. This decrease is primarily due to a large increase in the actuarially determined deferred inflows related to pension along with an increase in the actuarially determined net pension liability.

TOWN OF OXFORD, CONNECTICUT
Management's Discussion and Analysis
June 30, 2021

STATEMENT OF CHANGES IN NET POSITION

	2021	2020	Variance
REVENUES			
<i>Program:</i>			
Charges for services	\$ 2,275,619	\$ 2,154,633	\$ 120,986
Operating grants and contributions	14,855,784	11,349,032	3,506,752
Capital grants and contributions	2,650,398	8,285,309	(5,634,911)
<i>General:</i>			
Property taxes, interest, and lien fees	43,623,691	40,865,135	2,758,556
Grants and contributions, not restricted to specific programs	802,357	1,142,573	(340,216)
Interest and investment earnings	38,263	284,485	(246,222)
Other	298,989	230,083	68,906
Total Revenues	64,545,101	64,311,250	233,851
EXPENSES			
<i>Governmental Activities:</i>			
General Government	4,695,585	4,543,729	151,856
Conservation of Health	1,150,069	1,116,109	33,960
Public Safety	4,710,019	4,737,609	(27,590)
Public Activities	1,091,401	1,444,578	(353,177)
Public Works	4,524,779	4,501,737	23,042
Solid Waste	563,559	598,062	(34,503)
Education	45,082,070	41,265,341	3,816,729
Library	574,312	559,576	14,736
Interest on long-term debt	489,103	878,966	(389,863)
Total Expenses	62,880,897	59,645,707	3,235,190
Change in Net Position	1,664,204	4,665,543	\$ (3,001,339)
Beginning Net Position	83,174,201	78,335,755	
Adjustments (See Note 15)	-	172,903	
Ending Net Position	\$ 84,838,405	\$ 83,174,201	

Governmental activities. Governmental activities increased the Town of Oxford, CT's net position by \$1,664,204.

Sixty-eight percent (68%) of the revenues of the Town were derived from property taxes, followed by twenty-eight percent (28%) from grants and contributions, three percent (3%) from charges for services and one percent (1%) of the Town's revenue in the fiscal year was derived from investment and other income.

Major revenue factors included:

- Revenue from operating grants and contributions increased \$3,506,752 in the current fiscal year when compared to the previous year due to the actuarially determined adjustments for the State Teachers Retirement and TRB OPEB plan which are recognized as a revenue and expense along with an increase in grants received due to the COVID-19 pandemic.

TOWN OF OXFORD, CONNECTICUT
Management's Discussion and Analysis
June 30, 2021

- Revenue from capital grants and contributions decreased \$5,634,911 in the current fiscal year when compared to the previous year due to grants related to the Middle School Project.
- Property tax revenue increased by \$2,758,556 due to large back tax collections resulting from a personal property tax audit that was performed.

Seventy-two percent (72%) of the expenses of the Town relate to education, seven percent (7%) relate to public works, seven percent (7%) relate to public safety, three percent (3%) relate to public activities and library, seven percent (7%) relate to general government, and four percent (4%) relate to conservation of health, solid waste, and interest expense.

Major expense factors included:

- The education expenses increased from the prior year mainly due to the actuarially determined adjustments for the State Teachers Retirement and TRB OPEB plans which increased revenues and expenses for the current year, along with increases in expenses related to actuarially determined MERS adjustments.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Town of Oxford, CT uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town of Oxford, CT's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Oxford, CT's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Oxford, CT's governmental funds reported combined ending fund balances of \$14,632,725, an increase of \$12,636,355 in comparison with the prior year. Forty-two percent (42%) of this total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

General Fund. The General Fund is the chief operating fund of the Town of Oxford, CT. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,465,767. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 15.6 percent of total General Fund budget basis expenditures.

The fund balance of the Town of Oxford, CT's General Fund increased by \$2,068,948 during the current fiscal year. Key factors in this increase are as follows:

- A personal property tax audit resulted in large collections of back taxes.

Capital and Nonrecurring Expenditures Fund. The fund is a pay-as-you-go funded capital improvement fund. It is funded with annual appropriations from the General Fund to finance planned capital projects. The total appropriation from taxes was approved at \$750,000 for the 2021 fiscal year. Expenditures for capital projects and equipment in this fund were \$1,099,013. The fund also transferred \$400,000 to be used in the GOMS renovation project.

TOWN OF OXFORD, CONNECTICUT
 Management's Discussion and Analysis
 June 30, 2021

Middle School Project Fund. The fund is a capital projects fund used for the Middle School Construction Project. The project is being funded through a combination of Bond Anticipation Notes, General Obligation Bonds, and grant funding. The total expenditure for project for the 2021 fiscal year was \$9,756,870.

ARPA Grant Fund. The fund is a special revenue fund that holds the grant proceeds from the American Rescue Plan Act of 2021 as unearned revenue until they are used for qualified expenditures. During FY2021, there was \$1,961,413 in grant funding received.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund included the use of fund balance of \$1,305,000. The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$2,134,940. Budgetary revenues were \$3,806,511 greater than expected due primarily to large tax collections related to a personal property tax audit along with state aid, charges for services and licenses and permits, and other income coming in higher than anticipated. Budgetary expenditures were \$76,149 higher than expected due primarily to overages in the debt service category offset by savings in the general government, public activities, and public works categories.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The Town of Oxford, CT's reported value in capital assets for its governmental activities as of June 30, 2021, amounts to \$133,413,337 (net of accumulated depreciation). This reported value in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure.

	2021	2020
Land	\$ 6,868,354	\$ 6,868,354
Construction in Progress	-	30,298,819
Buildings and Improvements	101,204,242	61,725,475
Machinery, Equipment, and Vehicles	6,132,802	6,328,819
Infrastructure	19,207,939	19,952,791
Total	\$ 133,413,337	\$ 125,174,258

Major capital asset events during the current fiscal year included the following:

- Road improvements
- Fire department tanker
- GOMS renovations
- Middle School Construction Project
- School security improvements

Additional information on the Town of Oxford, CT's capital assets can be found in Note 6 on page 27 of this report.

TOWN OF OXFORD, CONNECTICUT
Management's Discussion and Analysis
June 30, 2021

Long-term debt. At the end of the current fiscal year, the Town of Oxford, CT had long-term debt and other liabilities outstanding of \$67,859,972.

	2021	2020
G.O. Bonds	\$ 28,510,000	\$ 30,660,000
Unamortized Premium	3,383,287	3,544,435
Bond Anticipation Notes	19,086,241	-
Capital Leases	140,739	189,000
Pension Buy-In	59,047	183,454
Compensated Absences	611,088	543,141
Total OPEB Liability	3,510,140	3,191,228
Net Pension Liability	12,559,430	11,030,217
Total	\$ 67,859,972	\$ 49,341,475

The Town of Oxford, CT's total long-term debt and other liabilities increased \$18,518,497 (37.5 percent) during the current fiscal year due to Bond Anticipation Notes related to school construction being recognized as long-term (see Note 8). Additional information on the Town of Oxford, CT's long-term debt and other liabilities can be found in Note 7 on pages 28-30 of this report.

The Town of Oxford currently maintains a bond rating of "AA" by Standard and Poor's.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

A summary of key economic factors affecting the Town are as follows:

- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which from time to time will affect the amount of intergovernmental revenues the Town will receive.
- Increased threat of losing State funding will continue to be a variable in our local budget.

All of these factors were considered in preparing the Town of Oxford, CT's budget for the 2022 fiscal year. The Town's fiscal year 2022 budgeted expenditures for the General Fund totaled \$50,123,294, an increase of \$2,704,576 or 5.7% from the fiscal year 2021 original approved budgeted expenditures.

The town has assigned \$2,620,000 of fund balance of the General Fund for spending in the 2022 fiscal year budget.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Oxford, CT's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Town of Oxford, 486 Oxford Road, Oxford, CT 06478.

Basic Financial Statements

TOWN OF OXFORD, CONNECTICUT

Statement of Net Position

June 30, 2021

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 21,695,116
Restricted Cash	68,273
Receivables, Net	3,185,054
Prepays	6,269
Inventory	11,069
Capital Assets:	
Assets Not Being Depreciated	6,868,354
Assets Being Depreciated, Net	<u>126,544,983</u>
Total Assets	<u>158,379,118</u>
Deferred Outflows of Resources	
Deferred Amount on Refunding	182,997
Deferred Outflows - Pension	5,842,519
Deferred Outflows - OPEB	<u>364,922</u>
Total Deferred Outflows of Resources	<u>6,390,438</u>
Liabilities	
Accounts Payable and Accrued Items	4,363,198
Accrued Interest Payable	443,252
Performance Bonds	68,273
Unearned Revenue	2,453,856
Noncurrent Liabilities:	
Due Within One Year	21,629,228
Due In More Than One Year	<u>46,230,744</u>
Total Liabilities	<u>75,188,551</u>
Deferred Inflows of Resources	
Advance Lease Payments	1,184,090
Prepayment on Power Plant Contract	1,625,000
Deferred Inflows - Pension	1,643,352
Deferred Inflows - OPEB	<u>290,158</u>
Total Deferred Inflows of Resources	<u>4,742,600</u>
Net Position	
Net Investment in Capital Assets	82,476,067
Restricted	2,087,150
Unrestricted	<u>275,188</u>
Total Net Position	<u>\$ 84,838,405</u>

The notes to the financial statements are an integral part of this statement

TOWN OF OXFORD, CONNECTICUT

Statement of Activities

For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General Government	\$ 4,695,585	\$ 941,630	\$ -	\$ -	\$ (3,753,955)
Conservation of Health	1,150,069	-	-	-	(1,150,069)
Public Safety	4,710,019	116,397	2,148	-	(4,591,474)
Public Activities	1,091,401	389,549	5,500	-	(696,352)
Public Works	4,524,779	-	411,776	-	(4,113,003)
Solid Waste	563,559	515,946	-	-	(47,613)
Education	45,082,070	311,772	14,409,911	2,650,398	(27,709,989)
Library	574,312	325	26,449	-	(547,538)
Interest on Long-Term Debt	489,103	-	-	-	(489,103)
Total Governmental Activities	62,880,897	2,275,619	14,855,784	2,650,398	(43,099,096)
General Revenues:					
					43,623,691
					802,357
					38,263
					298,989
					44,763,300
					1,664,204
					83,174,201
					\$ 84,838,405

The notes to the financial statements are an integral part of this statement

TOWN OF OXFORD, CONNECTICUT

Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Capital and Nonrecurring Expenditures Fund	Middle School Project Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	\$ 18,785,135	\$ -	\$ -	\$ -	\$ 2,909,981	\$ 21,695,116
Restricted Cash	68,273	-	-	-	-	68,273
Receivables, Net of Allowance	2,416,643	198,202	-	-	570,209	3,185,054
Prepays	6,269	-	-	-	-	6,269
Inventory	-	-	-	-	11,069	11,069
Due from Other Funds	2,144,468	-	1,696,471	1,961,413	1,170,136	6,972,488
Total Assets	\$ 23,420,788	\$ 198,202	\$ 1,696,471	\$ 1,961,413	\$ 4,661,395	\$ 31,938,269
Liabilities						
Accounts Payable and Accrued Items	\$ 3,939,232	\$ -	\$ -	\$ -	\$ 423,966	\$ 4,363,198
Performance Bonds	68,273	-	-	-	-	68,273
Unearned Revenue	441,270	-	-	1,961,413	51,173	2,453,856
Due to Other Funds	4,828,020	19,668	-	-	2,124,800	6,972,488
Total Liabilities	9,276,795	19,668	-	1,961,413	2,599,939	13,857,815
Deferred Inflows of Resources						
Unearned Revenue:						
Prepayment on Power Plant Contract	1,625,000	-	-	-	-	1,625,000
Unavailable Revenues:						
Property Taxes and Interest	1,822,729	-	-	-	-	1,822,729
Total Deferred Inflows of Resources	3,447,729	-	-	-	-	3,447,729
Fund Balances						
Nonspendable	6,269	-	-	-	-	6,269
Restricted	-	-	-	-	2,087,150	2,087,150
Committed	-	178,534	1,696,471	-	1,232,591	3,107,596
Assigned	3,224,228	-	-	-	-	3,224,228
Unassigned	7,465,767	-	-	-	(1,258,285)	6,207,482
Total Fund Balances	10,696,264	178,534	1,696,471	-	2,061,456	14,632,725
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 23,420,788	\$ 198,202	\$ 1,696,471	\$ 1,961,413	\$ 4,661,395	\$ 31,938,269

The notes to the financial statements are an integral part of this statement

TOWN OF OXFORD, CONNECTICUT

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2021

Fund balances reported in governmental funds Balance Sheet	\$ 14,632,725
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
<i>Capital Assets</i>	212,114,131
<i>Depreciation</i>	(78,700,794)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
<i>Property taxes, interest and liens receivable greater than 60 days</i>	1,822,729
Advance lease payments are deferred and amortized over time.	(1,184,090)
Certain changes related to pensions are deferred and amortized over time.	
<i>Deferred Outflows - Pension</i>	5,842,519
<i>Deferred Outflows - OPEB</i>	364,922
<i>Deferred Inflows - Pension</i>	(1,643,352)
<i>Deferred Inflows - OPEB</i>	(290,158)
Governmental funds report the effect of premiums, deferred charges and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Net Position.	(3,200,290)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements.	
<i>Accrued Interest Payable</i>	(443,252)
<i>Bonds Payable</i>	(28,510,000)
<i>Bond Anticipation Notes Payable</i>	(19,086,241)
<i>Capital Leases Payable</i>	(140,739)
<i>Pension Buy-In</i>	(59,047)
<i>Compensated Absences</i>	(611,088)
<i>OPEB Liability</i>	(3,510,140)
<i>Net Pension Liability</i>	<u>(12,559,430)</u>
Net position of governmental activities	<u>\$ 84,838,405</u>

The notes to the financial statements are an integral part of this statement

TOWN OF OXFORD, CONNECTICUT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Capital and Nonrecurring Expenditures Fund	Middle School Project Fund	ARPA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes, Interest and Lien Fees	\$ 40,704,767	\$ -	\$ -	\$ -	\$ -	\$ 40,704,767
Intergovernmental Revenues	9,475,366	198,202	2,452,196	-	1,091,618	13,217,382
Licenses, Permits, and Charges for Services	1,402,896	-	-	-	765,318	2,168,214
Investment Income	36,684	-	-	-	1,579	38,263
Other Revenue	3,661,997	-	-	-	2,148	3,664,145
Total Revenues	<u>55,281,710</u>	<u>198,202</u>	<u>2,452,196</u>	<u>-</u>	<u>1,860,663</u>	<u>59,792,771</u>
Expenditures						
Current:						
General Government	3,267,615	-	-	-	21,900	3,289,515
Conservation of Health	1,106,301	-	-	-	-	1,106,301
Public Safety	3,411,361	-	-	-	-	3,411,361
Public Activities	780,851	-	-	-	236,844	1,017,695
Public Works	3,007,706	-	-	-	-	3,007,706
Solid Waste	385,457	-	-	-	-	385,457
Education	36,168,392	-	-	-	1,358,930	37,527,322
Library	550,785	-	-	-	-	550,785
Other	512,476	-	-	-	-	512,476
Grants	358,016	-	-	-	-	358,016
Debt Service:						
Principal Payments	2,198,261	-	-	-	-	2,198,261
Interest and Issuance Costs	625,504	-	678,454	-	-	1,303,958
Capital Outlay	90,037	1,099,013	9,078,416	-	1,306,338	11,573,804
Total Expenditures	<u>52,462,762</u>	<u>1,099,013</u>	<u>9,756,870</u>	<u>-</u>	<u>2,924,012</u>	<u>66,242,657</u>
Excess/(Deficiency) of Revenues over Expenditures	2,818,948	(900,811)	(7,304,674)	-	(1,063,349)	(6,449,886)
Other Financing Sources/(Uses)						
Proceeds from the Issuance of BANs	-	-	18,910,000	-	-	18,910,000
Proceeds from BAN Premiums	-	-	176,241	-	-	176,241
Transfers In	-	750,000	-	-	400,000	1,150,000
Transfers Out	(750,000)	(400,000)	-	-	-	(1,150,000)
Total Other Financing Sources/(Uses)	<u>(750,000)</u>	<u>350,000</u>	<u>19,086,241</u>	<u>-</u>	<u>400,000</u>	<u>19,086,241</u>
Net Change in Fund Balances	2,068,948	(550,811)	11,781,567	-	(663,349)	12,636,355
Fund Balances at Beginning of Year, as Restated	<u>8,627,316</u>	<u>729,345</u>	<u>(10,085,096)</u>	<u>-</u>	<u>2,724,805</u>	<u>1,996,370</u>
Fund Balances at End of Year	<u>\$ 10,696,264</u>	<u>\$ 178,534</u>	<u>\$ 1,696,471</u>	<u>\$ -</u>	<u>\$ 2,061,456</u>	<u>\$ 14,632,725</u>

The notes to the financial statements are an integral part of this statement

TOWN OF OXFORD, CONNECTICUT

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 12,636,355
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**Amounts reported for governmental activities in the Statement of Activities
are different because:**

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

<i>Capital expenditures</i>	12,182,870
<i>Depreciation expense</i>	(3,943,791)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.

<i>Property taxes, interest and liens collected accrual basis change</i>	(331,076)
<i>Amortization of advance lease payments</i>	26,911

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

<i>Principal payments on long-term debt - general obligation bonds</i>	2,150,000
<i>Principal payments on long-term debt - capital leases</i>	48,261
<i>Issuance of long-term debt - bond anticipation notes</i>	(19,086,241)
<i>Amortization of bond premiums</i>	161,148
<i>Amortization of deferred amount on refunding</i>	(45,750)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

<i>Accrued Interest</i>	38,031
<i>Compensated Absences</i>	(67,947)
<i>Pension Buy-In</i>	124,407
<i>Net Pension Liability and Related Deferred Outflows/Inflows</i>	(2,074,613)
<i>OPEB Liability and Related Deferred Outflows/Inflows</i>	<u>(154,361)</u>

Change in net position of governmental activities	<u>\$ 1,664,204</u>
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The notes to the financial statements are an integral part of this statement

TOWN OF OXFORD, CONNECTICUT
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Amended	Budgetary Basis	
Revenues				
Property Taxes, Interest, and Lien Fees	\$ 37,402,206	\$ 37,402,206	\$ 40,704,767	\$ 3,302,561
Intergovernmental	4,586,542	4,586,542	4,885,021	298,479
Charges for Services	305,000	305,000	375,346	70,346
Licenses and Permits	845,000	845,000	1,027,550	182,550
Investment Income	270,000	270,000	15,548	(254,452)
Other	3,454,970	3,454,970	3,661,997	207,027
Total Revenues	46,863,718	46,863,718	50,670,229	3,806,511
Expenditures				
Current:				
General Government	3,447,855	3,427,389	3,259,872	167,517
Conservation of Health	1,124,544	1,124,544	1,103,673	20,871
Public Safety	3,412,128	3,421,128	3,434,621	(13,493)
Public Activities	936,674	936,674	770,655	166,019
Public Works	3,115,150	3,115,150	2,976,444	138,706
Solid Waste	419,859	419,859	384,239	35,620
Education	31,447,629	31,647,629	31,578,047	69,582
Library	608,385	608,385	543,242	65,143
Other	474,970	494,119	494,119	-
Grants	-	5,950	357,814	(351,864)
Debt Service:				
Principal Payments	1,180,000	1,180,000	2,150,000	(970,000)
Interest	1,238,224	1,238,224	623,674	614,550
Capital Outlay	13,300	90,089	108,889	(18,800)
Total Expenditures	47,418,718	47,709,140	47,785,289	(76,149)
Excess of Revenues Over/(Under) Expenditures	(555,000)	(845,422)	2,884,940	3,730,362
Other Financing Sources (Uses)				
Use of Fund Balance	1,305,000	1,595,422	-	(1,595,422)
Transfers Out	(750,000)	(750,000)	(750,000)	-
Total Other Financing Sources (Uses)	555,000	845,422	(750,000)	(1,595,422)
Net Change in Fund Balance	\$ -	\$ -	\$ 2,134,940	\$ 2,134,940

The notes to the financial statements are an integral part of this statement

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Town of Oxford, Connecticut (the “Town”) have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing the governmental accounting and financial reporting principles. The Town’s significant accounting policies are described below.

Reporting Entity

The Town of Oxford, Connecticut (the “Town”) was incorporated as a town in 1798. The Town operates under a Town Meeting form of government, with a Board of Selectmen consisting of three elected members, and a Board of Finance made up of six elected members. The Town provides a full range of services including public safety, roads, sanitation health, social services, culture and recreation, education, planning, zoning, and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include: 1) the primary government; 2) organizations for which the primary government is financially accountable; and 3) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based on the application of these criteria, there were no organizations which met the criteria described above.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in the demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with nonmajor funds, if any, aggregated and presented in a single column. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements’ governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Measurement Focus, Basis of Accounting, and Financial Statements Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Their revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred. Exceptions to this general rule include: compensated absences, debt service, capital leases, other post-employment benefit obligations, and claims and judgments that are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes and sewer assessments associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government, or specifically identified.

Governmental Funds are those through which most governmental functions typically are financed. The following are the Town's major governmental funds:

- The *General Fund* is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another manner. Revenues are derived primarily from property taxes, state grants, licenses, permits, charges for services, and earnings on investments.
- The *Capital and Nonrecurring Expenditures Fund* (capital project fund) accounts for the costs and related debt incurred in connection with the construction of approved projects.
- The *Middle School Project Fund* (capital project fund) accounts for the costs and related debt incurred in connection with the middle school construction project.
- The *ARPA (American Rescue Plan Act) Grant Fund* (special revenue fund) is used to account for grant revenues and expenditures from the American Rescue Plan Act of 2021.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

Cash and Cash Equivalents – The Town’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments - In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust, in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short-Term Investment Fund. Trust funds are able to invest in a wider range of investments. Investments are stated at fair value, based on quoted market prices. Certificates of Deposit are reported at cost.

The Short-Term Investment Fund (“STIF”) is a money market investment pool managed by the Cash Management Division of the State Treasurer’s Office created by Section 3-27 of the Connecticut General Statutes (“CGS”). Pursuant to CGS 3-27a through 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the fund. The fund is considered a “2a7-like” pool and, as such, reports its investments at amortized cost (which approximates fair value). A 2a7-like pool is not necessarily registered with the Security and Exchange Commission (“SEC”) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC’s rule 2a7 of the Investment Company Act of 1940 that allows money market mutual funds to use the amortized cost to report net assets. The pool is overseen by the Office of the State Treasurer. The pool is rated AAAM by Standard & Poor’s. This is the highest rating for money market funds and investment pools. The pooled investment funds’ risk category cannot be determined since the Town does not own identifiable securities but invests as a shareholder of the investment pool. The fair value of the position in the pool is the same as the value of the pool shares.

Taxes Receivable- All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Town has established an allowance for uncollectible amounts of \$813,822. Property taxes are assessed as of October 1 and billed the following July. Real property bills are payable in two installments, July 1 and January 1. Motor vehicle and personal property taxes are payable in one installment on July 1, with the Motor vehicle supplemental bills payable on January 1. Assessments for real and personal property, including motor vehicles, are computed at seventy percent of the market value. Liens are filed by the last day of the fiscal year.

Loans Receivable- The Town administers a federally funded residential rehabilitation loan program for low to moderate income families. The loans do not accrue interest and repayment of the loans is deferred. The loans become due and payable upon sale or transfer of the property, the owner’s demise, or when the subject property is no longer the applicant’s principal place of residence. The loans may be paid in full or in part by the borrower at any time without penalty. As of June 30, 2021, loans receivable totaled \$280,179 under this program.

Inventories- All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Prepaid Items- Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Due From/To Other Funds - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund receivables and payables. They arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Capital Assets - Capital assets, which include land, currently acquired infrastructure, buildings, improvements, machinery and equipment, are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and Improvements	50
Machinery, Equipment, and Vehicles	5-20
Infrastructure	50

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met.

Long-term obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period they are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt payments, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town reports Pension contributions made subsequent to the measurement date as a deferred outflow in the government-wide financial statements. These amounts are deferred and included in pension expense in the subsequent year. Also, the Town reports a deferred outflow of resources related to pension and OPEB results for the differences between expected and actual experience in the government-wide financial statements. These amounts are deferred and included in pension expense in a systematic and rational manner.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports unavailable revenue from property taxes and related interest in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The Town also reports deferred inflows from Pension and OPEB in the government-wide statement of net position, which resulted from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in Pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits. The Town also reports a deferred inflow of resources related to the advance lease payments received in the government-wide financial statements. These amounts are deferred and included in revenue in a rational and systematic manner.

Compensated absences - Town employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement.

Fund equity and net position – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. In the government-wide statement of net position, net position is classified in the following categories:

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduces this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the net position of the Town, which is not restricted for any project or other purpose.

When both restricted and unrestricted resources are available for certain expenses, the Town expends restricted resources first and uses unrestricted resources when the restricted funds are depleted.

In the fund financial statements, fund balances of governmental funds are classified in the following five separate categories:

Nonspendable Fund Balance – Indicates amounts that cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaid expenditures. Examples of items legally or contractually required to be maintained intact are the corpus of permanent funds.

Restricted Fund Balance – Indicates amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

TOWN OF OXFORD, CONNECTICUT

Notes to the Financial Statements

Committed Fund Balance – Indicates amounts that can be used only for specific purposes pursuant to constraints imposed by formal budgetary action of the Board of Finance and Town Meeting in accordance with provisions of the Connecticut General Statutes.

Assigned Fund Balance – Indicates amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by action of Town Officials.

Unassigned Fund Balance – Represents the remaining fund balance after amounts are set aside for all other classifications.

The Town does not have a formal policy over the use of fund balance. When both restricted and unrestricted (committed, assigned, unassigned) amounts of fund balance are available for use for expenditures incurred, it is assumed that the Town will use restricted fund balance first if the expenditure meets the restricted purpose, followed by committed, assigned and unassigned amounts.

Encumbrances – In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

Fair Value of Financial Instruments

In accordance with GASB Statement No. 72, the Town is required to measure the fair value of its assets and liabilities under a three-level hierarchy, as follows:

Level 1: Quoted market prices for identical assets or liabilities to which an entity has access to at the measurement date.

Level 2: Inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets in markets that are not active;
- c. Observable inputs other than quoted prices for the assets or liability;
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and *unobservable inputs* reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Certificates of Deposit are reported at amortized cost and are excluded from the fair value disclosures.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

Budgetary Information and Accounting

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements in accordance with provisions of Connecticut General Statutes and annually adopted budget policies.

- No sooner than 90 days prior to the annual budget meeting held in May, the head of each office, board, or commission supported wholly or in part from Town funds, except the Board of Education, files with the Board of Selectmen a detailed estimate of the expenditures to be made in the ensuing year.
- The Board of Selectmen prepares a proposed budget, including both estimated revenues and expenditures, for presentation to the Board of Finance not less than 60 days prior to the annual budget meeting.
- The Board of Education prepares a proposed budget, including both estimated revenues and expenditures, for presentation to the Board of Finance not less than 60 days prior to the annual budget meeting.
- The Treasurer submits to the Board of Finance, not less than 45 days prior to the annual budget meeting, an itemized estimate of the proposed revenue for the ensuing fiscal year. This shall include, but not be limited to, the current funds available, anticipated revenue from interest bearing accounts, projected borrowing that requires bonding, and anticipated state and federal monies.

Accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP basis”). The differences consist primarily of payments made by the State of Connecticut “on-behalf” of the Town into the State Teachers’ Retirement System and OPEB, which are not recorded for budgetary purposes, the excess cost grant, which is net against expenditures for budgetary purposes, Town accrued payroll is recorded for GAAP basis, encumbrances which are not recognized for GAAP, and additional revenues and expenditures pertaining to other Town funds, which are not budgeted for by the Town due to perspective differences.

A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2021:

	Total Revenues	Total Expenditures	Other Financing Sources (Uses)
Budgetary Basis	\$ 50,670,229	\$ 47,785,289	\$ (750,000)
"On-behalf" payments - State			
Teachers' Retirement and OPEB	3,933,419	3,933,419	-
Excess Cost Grant	656,926	656,926	-
Change in Town accrued payroll	-	23,357	-
Reclassifications for GAAP Purposes	21,136	63,771	-
GAAP Basis	<u>\$ 55,281,710</u>	<u>\$ 52,462,762</u>	<u>\$ (750,000)</u>

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute or in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an “out of state bank” as defined by the Statutes, which is not a “qualified public depository”. The following is a summary of cash and cash equivalents at June 30, 2021.

	Governmental Funds
Cash and Cash Equivalents	\$ 21,695,116
Restricted Cash	68,273
	\$ 21,763,389

Custodial Credit Risk - Deposits: Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank’s risk-based capital ratio. The following is a reconciliation of the Town’s deposits subject to custodial credit risk:

Cash, Cash Equivalents, and Restricted Cash	\$ 21,763,389
Less: Cash Equivalents (STIF)	(4,632)
	\$ 21,758,757

At year-end, the Town’s carrying amount of deposits subject to custodial credit risk was \$21,758,757 and the bank balance was \$22,595,122. Of the bank balance, Federal Depository Insurance Corporation insured \$1,250,960.

As of June 30, 2021, \$21,344,162 of the Town’s bank balance of \$22,595,122 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 19,084,746
Uninsured and collateral held by pledging bank’s Trust department not in the Town’s name	2,259,416
Total	\$ 21,344,162

Cash Equivalents

At June 30, 2021, the Town’s cash equivalents (Short-Term Investment Fund “STIF”) amounted to \$4,632. STIF is rated AAAM by Standard and Poor’s and has an average maturity of under 60 days.

Investments

Custodial Credit Risk - Investments. This is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town does not have a policy for custodial credit risk.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Credit Risk – The Town does not have an investment policy that limits investment choices further than the Connecticut General Statutes. Generally, credit risk is defined as the risk that an issuer of a debt type investment will not fulfill its obligation to the holder. This is measured by assignment of a rating by a nationally recognized rating organization. Presented below is the average rating of investments in debt securities.

Concentrations of Credit Risk – Concentration of credit risk is the risk attributed to the magnitude of a government’s investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town’s deposits cannot be 75% or more of the total capital of any one depository.

Interest Rate Risk - The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NOTE 4 – RECEIVABLES

As of June 30, 2021, Town receivable balances were as follows:

	General Fund	Capital Nonrecurring Fund	Other Governmental Funds	Total
Property Taxes	\$ 1,595,592	\$ -	\$ -	\$ 1,595,592
Interest and Lien Fees	1,168,433	-	-	1,168,433
Aircraft Taxes	5,196	-	-	5,196
Sewer/Water Taxes	52,044	-	-	52,044
Intergovernmental	57,600	198,202	260,742	516,544
Loans	-	-	280,179	280,179
Other	351,600	-	29,288	380,888
Total Gross Receivables	<u>3,230,465</u>	<u>198,202</u>	<u>570,209</u>	<u>3,998,876</u>
Allowance for Uncollectibles	<u>(813,822)</u>	<u>-</u>	<u>-</u>	<u>(813,822)</u>
Total Net Receivables	<u>\$ 2,416,643</u>	<u>\$ 198,202</u>	<u>\$ 570,209</u>	<u>\$ 3,185,054</u>

The loans receivable of \$280,179 in the Small Cities Fund are long-term receivables and are not expected to be collected within one year.

Governmental funds report unavailable revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	Governmental Funds
General Fund:	
Advances on Grants	\$ 441,270
ARPA Grant Fund:	
Advances on Grants	1,961,413
Nonmajor Governmental Funds:	
Advances on Grants	51,173
Total Unearned Revenue	<u>\$ 2,453,856</u>

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. At June 30, 2021, the outstanding balances between funds were:

Payable Fund	Receivable Fund	Total
General Fund	Middle School Project Fund	\$ 1,696,471
General Fund	ARPA Grant Fund	1,961,413
General Fund	Other Governmental Funds	1,170,136
Capital Nonrecurring	General Fund	19,668
Other Governmental Funds	General Fund	2,124,800
		<u>\$ 6,972,488</u>

Fund transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and 2) to account for unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers during the year ended June 30, 2021 were as follows:

Transfers In	Transfers Out	Total
Capital Nonrecurring	General Fund	\$ 750,000
Other Governmental Funds	Capital Nonrecurring	400,000
		<u>\$ 1,150,000</u>

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 6 – CAPITAL ASSETS

The following is a summary of the change in capital assets as of June 30, 2021:

	Beginning Balance	Increases	Decreases	Ending Balances
Capital assets, not being depreciated				
Land	\$ 6,868,354	\$ -	\$ -	\$ 6,868,354
Construction in Progress	<u>30,298,819</u>	<u>-</u>	<u>(30,298,819)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>37,167,173</u>	<u>-</u>	<u>(30,298,819)</u>	<u>6,868,354</u>
Capital assets, being depreciated				
Buildings and Improvements	86,864,485	41,354,893	-	128,219,378
Machinery, Equipment, and Vehicles	13,606,143	511,218	(143,000)	13,974,361
Infrastructure	<u>62,436,460</u>	<u>615,578</u>	<u>-</u>	<u>63,052,038</u>
Total capital assets, being depreciated	<u>162,907,088</u>	<u>42,481,689</u>	<u>(143,000)</u>	<u>205,245,777</u>
Less accumulated depreciation for:				
Buildings and Improvements	25,139,010	1,876,126	-	27,015,136
Machinery, Equipment, and Vehicles	7,277,324	707,235	(143,000)	7,841,559
Infrastructure	<u>42,483,669</u>	<u>1,360,430</u>	<u>-</u>	<u>43,844,099</u>
Total accumulated depreciation	<u>74,900,003</u>	<u>3,943,791</u>	<u>(143,000)</u>	<u>78,700,794</u>
Total capital assets, being depreciated	<u>88,007,085</u>	<u>38,537,898</u>	<u>-</u>	<u>126,544,983</u>
<i>Capital assets, net</i>	<u>\$ 125,174,258</u>	<u>\$ 38,537,898</u>	<u>\$ (30,298,819)</u>	<u>\$ 133,413,337</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

General Government	\$ 98,439
Conservation of Health	60,441
Public Safety	404,903
Public Activities	78,041
Public Works	1,349,768
Solid Waste	178,712
Education	<u>1,773,487</u>
Total Depreciation Expense	<u>\$ 3,943,791</u>

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 7 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2021 was as follows:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 30,660,000	\$ -	\$ 2,150,000	\$ 28,510,000	\$ 2,130,000
Unamortized Premium	3,544,435	-	161,148	3,383,287	171,840
Total Bonds Payable	34,204,435	-	2,311,148	31,893,287	2,301,840
Bond Anticipation Notes	-	19,086,241	-	19,086,241	19,086,241
Capital Leases	189,000	-	48,261	140,739	45,376
Compensated Absences	543,141	67,947	-	611,088	136,724
Pension Buy-In	183,454	-	124,407	59,047	59,047
Net Pension Liability	11,030,217	1,529,213	-	12,559,430	N/A
Total OPEB Liability	3,191,228	318,912	-	3,510,140	N/A
Total	<u>\$ 49,341,475</u>	<u>\$ 21,002,313</u>	<u>\$ 2,483,816</u>	<u>\$ 67,859,972</u>	<u>\$ 21,629,228</u>

Long-term obligations are typically liquidated by the General Fund.

General Obligation Bonds

The Town issues general obligation bonds to provide financing for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations of the Town and pledge the full faith and credit of the Town. General obligation bonds outstanding as of June 30, 2021 consisted of the following:

Purpose	Year of Issue	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2021
General, Education	2018	7/15/2037	3 - 5%	\$ 8,300,000	\$ 7,015,000
Education	2020	8/1/2039	4 - 5%	10,000,000	10,000,000
General, Education*	2020	8/1/2026	4 - 5%	2,310,000	1,715,000
General, Education*	2020	8/1/2028	1.8 - 2.4%	9,895,000	9,780,000
				<u>\$ 30,505,000</u>	<u>\$ 28,510,000</u>

*Refunding Bonds

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

The annual debt service requirements of the Town's general obligation bonds are as follows:

Fiscal Year Ending	Principal	Interest	Total
2022	\$ 2,130,000	\$ 1,000,577	\$ 3,130,577
2023	2,555,000	916,551	3,471,551
2024	2,500,000	829,294	3,329,294
2025	2,455,000	749,927	3,204,927
2026	2,415,000	670,222	3,085,222
2027-2031	9,160,000	2,138,955	11,298,955
2032-2036	4,595,000	950,558	5,545,558
2037-2040	2,700,000	201,750	2,901,750
	<u>\$ 28,510,000</u>	<u>\$ 7,457,834</u>	<u>\$ 35,967,834</u>

Interest paid and expensed on general obligation bonds for the year ended June 30, 2021 totaled \$1,081,674.

Bonds Authorized and Unissued

At June 30, 2021, there was \$3,581,334 authorized and unissued bonds for school purposes and \$935,000 authorized and unissued bonds for general purposes.

Capital Leases

The Town has entered into a lease agreement as lessee for financing the acquisition of new police cruisers. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Activities
Assets:	
Equipment	\$ 189,000
Less accumulated depreciation	<u>(30,000)</u>
Total	<u>\$ 159,000</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, were as follows:

	Governmental Activities
Year ending June 30:	
2022	\$ 50,091
2023	50,091
2024	50,090
Less amount representing interest	<u>(9,533)</u>
Total	<u>\$ 140,739</u>

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Pension Buy-In

The Town has a note outstanding totaling \$59,047 on the buy-in to the State pension plan. Annual debt service requirements to maturity for this payable are as follows:

Fiscal Year Ending	Principal	Interest	Total
2022	<u>\$ 59,047</u>	<u>\$ 4,724</u>	<u>\$ 63,771</u>

Interest incurred and expensed on the buy-in for the year ended June 30, 2021 totaled \$17,028.

Advance Refunding

The Town had advance refunded general obligation bonds in prior years. The Town advance refunded the bonds to reduce its total debt service payments by \$725,235 and to obtain an economic gain (difference between the present values of the debt service payments of the old and new bonds) of \$679,038. The difference between the reacquisition price (the amount placed in escrow) and the net carrying amount of the refunded bonds resulted in a deferred amount on refunding of \$274,497. These amounts, net of accumulated amortization of \$91,500 have been presented as deferred outflows of resources in the government-wide financial statements.

Compensated Absences

Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to limitations as provided in the respective collective bargaining agreements. Employees are entitled to accumulate sick leave up to a maximum amount stipulated in each contract. Payment for accumulated sick leave is dependent upon the length of service and accumulated days. The value of all compensated absences has been reflected in the government-wide financial statements.

NOTE 8 – BOND ANTICIPATION NOTES

The Town uses bond anticipation notes to fund construction costs prior to the issuance of bonds. The following table summarizes changes in the Town’s BAN obligations for the year ended June 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance
Bond Anticipation Note	\$ 18,910,000	\$ 18,910,000	\$ 18,910,000	\$ 18,910,000
Unamortized Premium	160,357	176,241	160,357	176,241
Total	<u>\$ 19,070,357</u>	<u>\$ 19,086,241</u>	<u>\$ 19,070,357</u>	<u>\$ 19,086,241</u>

The outstanding bond anticipation note carries an interest rate of 1.5% and matures in October 2021. Total interest incurred and expensed on bond anticipation notes during the year was \$337,491. As described in Note 14, upon maturity the bond anticipation note was replaced with long-term general obligation bonds. Since the bond anticipation note was replaced with long-term financing subsequent to year-end, it will be reported with noncurrent liabilities in the government-wide financial statements.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 9 - FUND BALANCE COMPONENTS

The components of fund balance for the governmental funds at June 30, 2021 are as follows:

	General Fund	Capital and Nonrecurring Expenditures Fund	Middle School Project Fund	Other Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Prepays	\$ 6,269	\$ -	\$ -	\$ -	\$ 6,269
Restricted for:					
General Government	\$ -	\$ -	\$ -	\$ 961,160	\$ 961,160
Public Safety	-	-	-	36,913	36,913
Public Activities	-	-	-	901,924	901,924
Education	-	-	-	187,153	187,153
Total Restricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087,150</u>	<u>\$ 2,087,150</u>
Committed to:					
General Government	\$ -	\$ -	\$ -	\$ 571,767	\$ 571,767
Education	-	-	-	660,824	660,824
Capital	-	178,534	1,696,471	-	1,875,005
Total Committed	<u>\$ -</u>	<u>\$ 178,534</u>	<u>\$ 1,696,471</u>	<u>\$ 1,232,591</u>	<u>\$ 3,107,596</u>
Assigned:					
MERS Buy-In Payments	604,228	-	-	-	604,228
Next Year's Budget	2,620,000	-	-	-	2,620,000
Total Assigned	<u>\$ 3,224,228</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,224,228</u>
Unassigned:	<u>\$ 7,465,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,258,285)</u>	<u>\$ 6,207,482</u>

As of June 30, 2021, the Library Construction Fund, which is a nonmajor governmental fund, had a deficit fund balance of \$(359,081). The fund deficit will be funded through a combination of either General Fund contributions, grants and contributions, or the issuance of debt. The GOMS Renovation Fund, which is a nonmajor governmental fund, has a deficit fund balance of \$(899,204) which will be funded through the issuance of long-term debt.

TOWN OF OXFORD, CONNECTICUT

Notes to the Financial Statements

NOTE 10 – RETIREMENT BENEFITS

Connecticut Municipal Employees' Retirement System

Plan Description: All Town employees not covered by the Town pension plan or the teacher retirement system participate in the Municipal Employees' Retirement System (MERS). This is a cost-sharing multiple-employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating local government authorities. Chapters 7-425 to 7-451 of the State of Connecticut General Statutes, which can be amended by legislative action, establishes MERS benefits, member contribution rates and other plan provisions. MERS is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports can be obtained at www.ct.gov.

Benefit Provisions: The Plan provides retirement, disability and death benefits, and annual cost-of-living adjustments to plan members and their beneficiaries. Employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active aggregate service, or 25 years of aggregate service. In addition, compulsory retirement is at age 65 for police and fire members.

Normal Retirement: For members not covered by social security, retirement benefits are calculated as 2% of average final compensation, times years of service. For members covered by social security, retirement benefits are calculated as 1.5% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service. Maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually.

Early Retirement: Members must have 5 years of continuous or 15 years of active aggregate service. Benefits are calculated as a service retirement allowance on the basis of the average of the three highest paid years of service to the date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Disability Retirement – Service Connected: Employees who are totally and permanently disabled and such disability has arisen out of and in the course of employment with the municipality. Disability due to heart and hypertension in the case of fire and police, is presumed to have been suffered in the line of duty. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including worker's compensation benefits) of 50% of compensation at the time of disability, are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement – Non-Service Connected: Employees who have 10 years of service and are totally and permanently disabled. Benefits are calculated as a service retirement allowance based on compensation and service to the date of the disability.

Death Benefit: Employees who are eligible for service, disability, or early retirement and married for at least 12 months preceding death. Benefits are calculated based on the average of the three highest paid years of service and creditable service at date of death, payable to the spouse. Benefit is equal to 50% of the average of the life annuity allowance and the reduced 50% joint and survivor allowance.

Contributions - Member: Contributions for members not covered by social security are 6% of compensation; for members covered by social security, 3.25% of compensation up to the social security taxable wage base plus 6%, if any, in excess of such base.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Contributions – Employer: Participating employers make annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment, which covers the liabilities of MERS not met by member contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2021 the Town reports a total liability of \$12,559,430 for government-wide financials for its proportionate share of the net pension liability. The net pension liability was measured at June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at that date. The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2020, the Town’s proportion was 5.45%.

For the year ended June 30, 2021, the Town recognized pension expense of \$2,562,652. As of June 30, 2021, the Town reported deferred inflows and outflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Town contributions subsequent to the measurement date	\$ 1,174,456	\$ -
Difference between projected and actual earnings	1,329,423	-
Difference between expected and actual experience	675,883	1,605,915
Change in assumptions	2,061,190	-
Change in proportional share	601,567	37,437
Total	\$ 5,842,519	\$ 1,643,352

Amounts reported as deferred outflows of resources related to Town contributions after the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Amounts reported as deferred outflows of resources related to pension will be recognized in the pension expense as follows:

Year ended June 30:

2022	\$ 1,302,172
2023	1,491,328
2024	39,504
2025	191,707
	\$ 3,024,711

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases, including inflation	3.50-10.00 Percent
Long-term investment rate of return, net of pension investment expense, including inflation.	7.00 Percent

Mortality rates were based on the RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees for the period after retirement and for dependent beneficiaries. The RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB is used by Police and Fire for the period after retirement and for dependent beneficiaries. For disabled retirees, the RP-2014 Disabled Retiree Mortality Table projected to 2020 by Scale BB is used.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2012 – June 30, 2017.

The long-term expected rate of return on pension investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	20.00%	5.30%
Developed Market International	11.00%	5.10%
Emerging Market International	9.00%	7.40%
Core Fixed Income	16.00%	1.60%
Inflation Linked Bond	5.00%	1.30%
Emerging Market Bond	5.00%	2.90%
High Yield Bonds	6.00%	3.40%
Real Estate	10.00%	4.70%
Private Equity	10.00%	7.30%
Alternative Investments	7.00%	3.20%
Liquidity Fund	<u>1.00%</u>	0.90%
Total	<u>100.00%</u>	

Discount Rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the Town's proportionate share of the net pension liability, calculated using the discount rate of 7.00%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.0%	7.0%	8.0%
Net Pension Liability as of June 30, 2021	\$ 17,672,979	\$ 12,559,430	\$ 8,255,135

Connecticut State Teacher's Retirement System

Plan Description: Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System (the "System"). The System is a cost sharing multiple-employer defined benefit pension plan administered by the Connecticut State Teachers' Retirement Board (CTRB). Chapter 167a of the State Statutes grants authority to establish and amend the benefited terms to the CTRB Board. The CTRB issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions: The Plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement: Retirement benefits for the employees are calculated as 2% of the average annual salary times years of credited service (maximum benefit is 75% of average annual salary during the 3 highest years of salary).

Early Retirement: Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement: Employees are eligible for service-related disability regardless of length of service. Five years of credited service is required for non-service-related disability or eligibility. Disability benefits are calculated as 2% per year of service times the average of the highest three years of pensionable salary, as defined per the plan, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

Contributions: Per Connecticut General Studies Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended, and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts): School District employers are not required to make contributions to the plan. The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount, that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Employees: Participants are required to contribute 7% of their annual salary to the System as required by the CGS Section 10-183b(7). For the year ended June 30, 2021 the certified teachers' contribution to the Connecticut Teachers Retirement Board was \$978,612. Covered payroll for the Town for the year ended June 30, 2021 was approximately \$13,980,169.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2021 the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>59,878,928</u>
Total		<u>\$ 59,878,928</u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2021, the Town had no proportionate share of the net pension liability.

For the year ended June 30, 2021, the Town recognized benefits expense and contribution revenue of \$3,840,729 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$8,577,372 for pension expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions: The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2019. The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.50 Percent
Salary increases, including inflation	3.00-6.50 Percent
Long-term investment rate of return, net of pension investment expense, including inflation.	6.90 Percent

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females as ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Future cost-of-living increases for members who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

The long-term expected rate of return on pension investments was determined using a log-normal distributions analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the Treasurer's Office are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity Fund	20.00%	5.60%
Developed Market Intl. Stock Fund	11.00%	6.00%
Emerging Market Intl. Stock Fund	9.00%	7.90%
Core Fixed Income Fund	16.00%	2.10%
Inflation Linked Bond Fund	5.00%	1.10%
Emerging Market Debt Fund	5.00%	2.70%
High Yield Bond Fund	6.00%	4.00%
Real Estate Fund	10.00%	4.50%
Private Equity	10.00%	7.30%
Alternative Investments	7.00%	2.90%
Liquidity Fund	1.00%	0.40%

Discount Rate: The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The Town's proportionate share of the net pension liability is \$0 and therefore the change in the discount rate would only impact the amount recorded by the State of Connecticut.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Other Post-Employment Benefits

Plan Description: The Town provides post-retirement benefits for certain employees for current, and future, health and life insurance benefits through a single-employer defined benefit plan (the “Plan”). Benefits provisions are established by contract and may be amended by union negotiations. The plan does not issue a publicly available financial report and is not included in the financial statements of another entity. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Benefits Provided: The OPEB Plan provides for medical and life insurance benefits for all eligible Town retirees.

Eligibility: Teachers and Administrators (Certified) – A Teacher or administrator retiring under the Connecticut State Teachers Retirement System shall be eligible to receive health benefits for self and spouse. Other Employees – An employee retiring under the Connecticut Municipal Employment Retirement System may retire after age 55 with at least 5 years of service or after completion of at least 25 years of service. Other employees may retire from various ages beginning with age 55 with 13 or 18 year of service to age 62 with 13 years of service.

Employees Covered by Benefit Terms: At June 30, 2021, the following employees were covered by the benefit terms:

Retirees and beneficiaries receiving benefits	20
Active plan members	298
	318
	318

Total OPEB Liability: The Town’s total OPEB liability of \$3,510,140 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020.

Actuarial Assumptions and Other Inputs: Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend rate. Amounts determined regarding the funded status of the plan, and the annual required contributions of the employer, are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuation follows:

Valuation Date	July 1, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Discount Rate	2.18% (Municipal Bond 20-year High Grade Rate Index)
Inflation Rate	3.00%

Mortality rates were based on the RP-2006 Mortality Table with MP-2019 projection.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Health Cost Trend Rates: Annual increases in premium for retired medical and prescription drug benefits are assumed to be as follows:

Year After Valuation Date Increase:

1	8.00%
2	7.50%
3	7.00%
4	6.50%
5	6.00%
6	5.50%
7 or more	5.00%

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 6/30/20	\$ 3,191,228
Changes for the year:	
Service Cost	136,726
Interest	83,782
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(44,117)
Changes in Assumptions	225,584
Benefit Payments	(83,063)
Net Changes	318,912
Balance at 6/30/21	\$ 3,510,140

Changes of assumptions primarily reflects a change in the discount rate from 2.66% to 2.18%.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18%) or 1-percentage-point higher (3.18%) than the current discount rate:

	1%	Current	1%
	Decrease	Discount Rate	Increase
	1.18%	2.18%	3.18%
Total OPEB Liability	\$ 3,980,106	\$ 3,510,140	\$ 3,040,174

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
	Trend Rates	Trend Rates	Trend Rates
Total OPEB Liability	\$ 2,881,046	\$ 3,510,140	\$ 4,278,817

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the Town recognized OPEB expense of \$237,423. As of June 30, 2021, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 54,132	\$ 290,158
Change in assumptions	310,790	-
Total	\$ 364,922	\$ 290,158

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in the OPEB expense as follows:

Year ended June 30:		
2022	\$	16,915
2023		16,915
2024		16,915
2025		16,915
2026		16,915
Thereafter		(9,811)
	\$	74,764

Connecticut Teachers' Retirement System - OPEB

Plan Description - Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with benefits, including retiree health insurance, through the Connecticut Teachers' Retirement System—a cost sharing multiemployer defined benefit pension plan administered by the TRB. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions - The Plan covers retired teachers and administrators of public schools in the State who are receiving benefits from the Plan. The Plan provides healthcare insurance benefits to eligible retirees and their spouses. Any member that is currently receiving a retirement or disability benefit through the Plan is eligible to participate in the healthcare portion of the Plan. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the TRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue healthcare coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost. The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut. Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the system. If they elect to remain in the Plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Contributions - Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of plan costs through an annual appropriation in the General Fund.

School district employers are not required to make contributions to the Plan. The State of Connecticut's estimated allocated contribution to the Plan on behalf of the Town was \$92,690.

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers' pay for one third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

Actuarial Assumptions - The total OPEB liability was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.50%
Real Wage Growth	0.50%
Wage Inflation	3.00%
Salary increases	3.00-6.50%, including inflation
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation
<u>Municipal bond index rate:</u>	
Measurement Date	2.21%
Prior Measurement Date	3.50%

The projected fiduciary net position is projected to be depleted in 2021.

Single equivalent interest rate

Measurement Date	2.21%, net of OPEB plan investment expense, including price inflation
Prior Measurement Date	3.50%, net of OPEB plan investment expense, Including price inflation

Healthcare cost trend rates:

Medicare	5.125% for 2020 decreasing to an ultimate Rate of 4.50% by 2023
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Mortality rates were based on the PubT-2010 Health Retiree Table (adjusted 105% for males and 103% for females as ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

Long-Term Rate of Return - The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluation the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

The long-term expected rate of return was determined by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected 10-Year Geometric Real Rate of Return	Standard Deviation
U.S. Treasuries (Cash Equivalents)	100.0%	-0.42%	1.78%
Price inflation		2.50%	
Expected rate of return (Rounded nearest 0.25%)		2.00%	

Discount Rate - The discount rate used to measure the total OPEB liability was 2.21%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2020. In addition to the actuarial methods and assumptions of the June 30, 2020 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates - The following presents the total OPEB liability, calculated using current cost trend rates, as well as what the Plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than current healthcare cost trend rates:

	1% Lower Trend Rates	Current Trend Rates	1% Higher Trend Rates
Initial Healthcare Cost Trend Rate	4.125%	5.125%	6.125%
Ultimate Healthcare Cost Trend Rate	3.50%	4.50%	5.50%
Total OPEB Liability	\$ 7,295,637	\$ 8,930,944	\$ 11,188,806

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

Sensitivity of the Net OPEB Liability to Changes in Discount Rates - The following presents the net OPEB liability, calculated using the current discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Net OPEB liability	\$ 10,902,632	\$ 8,930,944	\$ 7,394,309

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions: At June 30, 2021 the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the Town were as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>8,930,944</u>
Total	<u>\$ 8,930,944</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. At June 30, 2021, the Town had no proportionate share of the net OPEB liability.

For the year ended June 30, 2021, the Town recognized OPEB expense and revenue of \$92,690 in the governmental funds for on-behalf amounts for the benefits provided by the State. In the government-wide financial statements, the Town recognized \$412,542 for OPEB expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

NOTE 11 – RISK MANAGEMENT

The Town is exposed to various risks of loss involving torts, theft of, damage to, and destruction of assets, errors and omissions, injuries of employees, natural disaster and public official liabilities. The Town generally obtains commercial insurance for these risks. Coverage has not been significantly reduced and settled claims have not exceeded commercial coverage in any of the last three fiscal years.

NOTE 12 – LITIGATION AND CONTINGENCIES

The Town is not a defendant in any lawsuits that, in the opinion of Town Management, in consultation with the Town Attorney, will have an adverse, material effect on the Town's financial position.

The town has received State and Federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under the terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

NOTE 13 – TAX ABATEMENT

The Town entered into a property tax abatement agreement in connection with its agreement with Towantic Energy LLC and the building of a power plant facility under the Connecticut General Statutes Section 32-71a. The agreement specifies that the Town will receive specified amounts annually from July 1, 2017 to January 1, 2038 in lieu of the normal assessment and payment of personal property taxes in annual amounts ranging from \$2,700,000 to \$7,631,564.

NOTE 14 – SUBSEQUENT EVENTS

On September 21, 2021, the Town paid off the maturing Bond Anticipation Notes of \$18,910,000 with the issuance of General Obligation Bonds in the amount of \$17,990,000. The bonds bear interest at 2.0% to 5.0% with interest payments due semiannually and the first principal payment is due in August 2022.

In July 2021, the Town entered into a lease agreement to purchase a new fire truck with annual principal and interest payments of \$188,153 over the next four years. The interest rate is 1.12%.

NOTE 15 – ADOPTION OF NEW ACCOUNTING STANDARD

The Town previously reported the activities of the Student Activities Fund as fiduciary activities. As a result of the implementation of GASB No. 84, *Fiduciary Activities*, as of July 1, 2020, the Town made the following reporting change: the Student Activities Fund is now reported as a special revenue fund. The government-wide and custodial funds net position and special revenue fund balance were restated as a result of the implementation of GASB No. 84 as follows:

	Governmental Activities	Nonmajor Governmental Funds	Custodial Funds
Net position/fund balance as previously reported at June 30, 2020	\$ 83,001,298	\$ 2,551,902	\$ 172,903
Reclassification of funds to proper fund type	172,903	172,903	(172,903)
Net position/fund balance as restated at July 1, 2020	\$ 83,174,201	\$ 2,724,805	\$ -

NOTE 16 – UPCOMING PRONOUNCEMENTS

GASB Pronouncements Issued, But Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

GASB Statement No. 87 – Leases - This statement improves the accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2021.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

GASB Statement No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period* - The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. As a result, interest cost before the end of a construction period will not be included in the historical cost of the capital asset. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2021.

GASB Statement No. 91 – *Conduit Debt Obligations* – The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022.

GASB Statement No. 92 – *Omnibus 2020* – The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and the requirements of this statement are effective for the Town's reporting period beginning July 1, 2021.

GASB Statement No. 93 – *Replacement of Interbank Offered Rates* – Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements in paragraphs 13 and 14 of this statement are effective for the Town's reporting period beginning July 1, 2021.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* – The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements* – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2022.

TOWN OF OXFORD, CONNECTICUT
Notes to the Financial Statements

GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* – The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this statement are effective for the Town’s reporting period beginning July 1, 2021.

**Required
Supplementary
Information**

TOWN OF OXFORD, CONNECTICUT
Connecticut Municipal Employees' Retirement System
Proportionate Share of the Net Pension Liability
Last Seven Fiscal Years*

<u>TOWN</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Percentage of Collective Net Pension Liability	2.598%	2.545%	2.584%	2.464%	2.464%	2.570%	2.570%
Town's Portion of Net Pension Liability	<u>\$ 10,201,598</u>	<u>\$ 9,391,582</u>	<u>\$ 9,881,622</u>	<u>\$ 4,073,609</u>	<u>\$ 4,836,982</u>	<u>\$ 3,519,051</u>	<u>\$ 2,494,760</u>
Town's Covered Payroll	<u>\$ 6,652,990</u>	<u>\$ 6,541,411</u>	<u>\$ 7,272,649</u>	<u>\$ 6,562,747</u>	<u>\$ 6,176,460</u>	<u>\$ 6,025,193</u>	<u>\$ 5,897,225</u>
Town's Portion of Net Pension Liability as a % of Covered Payroll	153.34%	143.57%	135.87%	62.07%	78.31%	58.41%	42.30%
<u>POLICE</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Percentage of Collective Net Pension Liability	2.857%	2.249%	2.067%	1.273%	1.273%	1.250%	1.250%
Town's Portion of Net Pension Liability	<u>\$ 2,357,832</u>	<u>\$ 1,638,635</u>	<u>\$ 1,404,523</u>	<u>\$ 508,854</u>	<u>\$ 594,980</u>	<u>\$ 382,566</u>	<u>\$ 282,891</u>
Town's Covered Payroll	<u>\$ 1,271,056</u>	<u>\$ 998,839</u>	<u>\$ 1,171,017</u>	<u>\$ 930,496</u>	<u>\$ 711,730</u>	<u>\$ 531,134</u>	<u>\$ 494,600</u>
Town's Portion of Net Pension Liability as a % of Covered Payroll	185.50%	164.05%	119.94%	54.69%	83.60%	72.03%	57.20%
Plan Fiduciary Net Position as a % of Total Pension Liability	71.18%	72.69%	73.60%	91.68%	88.29%	92.72%	90.48%

*This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Connecticut Municipal Employees' Retirement System
Schedule of Contributions
Last Seven Fiscal Years*

<u>TOWN</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Contractually Required Contribution	\$ 920,888	\$ 796,274	\$ 763,157	\$ 770,467	\$ 702,880	\$ 685,667	\$ 706,488
Town's Contributions in Relation to the Contractually Required Contribution	<u>920,888</u>	<u>796,274</u>	<u>763,157</u>	<u>770,467</u>	<u>702,880</u>	<u>685,667</u>	<u>706,488</u>
Town's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's Covered Payroll	6,652,990	6,541,411	7,272,649	6,562,747	6,176,460	6,025,193	5,897,225
Town's Contributions as a Percentage of Covered Payroll	13.84%	12.17%	10.49%	11.74%	11.38%	11.38%	11.98%
<u>POLICE</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's Contractually Required Contribution	\$ 253,568	\$ 206,341	\$ 189,202	\$ 159,394	\$ 119,072	\$ 88,859	\$ 83,884
Town's Contributions in Relation to the Contractually Required Contribution	<u>253,568</u>	<u>206,341</u>	<u>189,202</u>	<u>159,394</u>	<u>119,072</u>	<u>88,859</u>	<u>83,884</u>
Town's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's Covered Payroll	1,271,056	998,839	1,171,017	930,496	711,730	531,134	494,600
Town's Contributions as a Percentage of Covered Payroll	19.95%	20.66%	16.16%	17.13%	16.73%	16.73%	16.96%

*This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Notes to Schedule

Actuarial valuation date	June 30, 2020
Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Asset Valuation Method	5-year smoothed market
Single Equivalent Amortization Period	21 years
Inflation	2.50%
Salary Increases	3.50%-10.00%, including inflation
Investment rate of return	7.00%, net of investment related expense

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
State Teacher's Retirement System
Proportionate Share of Net Pension Liability
Last Seven Fiscal Years*

Schedule of Proportionate Share of Net Pension Liability

	2021	2020	2019	2018	2017	2016	2015
Town's percentage of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net pension liability associated with the Town	<u>59,878,928</u>	<u>53,947,241</u>	<u>41,596,457</u>	<u>41,558,678</u>	<u>43,844,723</u>	<u>33,354,233</u>	<u>30,829,304</u>
Total	<u>\$ 59,878,928</u>	<u>\$ 53,947,241</u>	<u>\$ 41,596,457</u>	<u>\$ 41,558,678</u>	<u>\$ 43,844,723</u>	<u>\$ 33,354,233</u>	<u>\$ 30,829,304</u>
Town's covered payroll	<u>\$ 13,980,169</u>	<u>\$ 13,573,743</u>	<u>\$ 12,865,988</u>	<u>\$ 12,168,696</u>	<u>\$ 12,522,293</u>	<u>\$ 12,121,355</u>	<u>\$ 11,624,579</u>
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll.	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>49.24%</u>	<u>52.00%</u>	<u>57.69%</u>	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

*This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Notes to Schedule

Actuarial cost method	Entry Age
Amortization method	Level percent of pay closed, grading to a level dollar amortization method for the June 30, 2024 valuation.
Single equivalent amortization period	30 years
Asset valuation method	4-year smoothed market
Inflation	2.50%
Salary increases	3.25% - 6.50% average, including inflation
Investment rate of return	6.90% net of investment related expense

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Other Post Employment Benefits (OPEB) Plan
Schedule of Changes in Total OPEB Liability
Last Four Fiscal Years*

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 136,726	\$ 119,035	\$ 108,709	\$ 109,616
Interest	83,782	90,186	87,744	85,939
Changes in Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	(44,117)	(269,860)	86,611	(43,991)
Changes in Assumptions	225,584	58,045	98,127	-
Benefit Payments, Including Refunds of Member Contributions	<u>(83,063)</u>	<u>(77,295)</u>	<u>(108,999)</u>	<u>(73,017)</u>
Net Change in Total OPEB Liability	318,912	(79,889)	272,192	78,547
Total OPEB Liability - Beginning	<u>3,191,228</u>	<u>3,271,117</u>	<u>2,998,925</u>	<u>2,920,378</u>
Total OPEB Liability - Ending	<u>\$ 3,510,140</u>	<u>\$ 3,191,228</u>	<u>\$ 3,271,117</u>	<u>\$ 2,998,925</u>
Covered-Employee Payroll	\$ 22,345,027	\$ 22,976,465	\$ 22,366,139	\$ 22,274,595
Total OPEB Liability as a Percentage of Covered-Employee Payroll	15.71%	13.89%	14.63%	13.46%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

There are no assets being accumulated in a trust that meets the criteria in GASB75 to pay benefits

Notes to Schedule

Measurement Date	June 30, 2021
Valuation Date	July 1, 2020
Inflation Rate	3.00%
Actuarial Cost Method	Entry Age Normal
Salary Increases	3.00%
Healthcare Cost Trend Rates	8.00% decreasing to 5% ultimate

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
 State Teacher's Retirement System
 Proportionate Share of Net OPEB Liability
 Last Four Fiscal Years*

Schedule of Proportionate Share of Net OPEB Liability

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's percentage of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with the Town	<u>8,930,944</u>	<u>8,413,376</u>	<u>8,315,429</u>	<u>10,696,727</u>
Total	<u>\$ 8,930,944</u>	<u>\$ 8,413,376</u>	<u>\$ 8,315,429</u>	<u>\$ 10,696,727</u>
Town's covered-employee payroll	<u>\$ 13,980,169</u>	<u>\$ 13,573,743</u>	<u>\$ 12,865,988</u>	<u>\$ 12,168,696</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll.	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>2.50%</u>	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>

*This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Notes to Schedule

Actuarial Cost Method	Entry age
Amortization Method	Level percent of payroll over a closed period
Amortization Period	30 years
Asset Valuation Method	Market value of assets
Investment Rate of Return	3.00%, net of investment related expense including price inflation
Price Inflation	2.50%

See accountant's report.

**Supplemental, Combining
and Individual Fund
Statements and Schedules**

TOWN OF OXFORD, CONNECTICUT
Schedule of Revenues and Other Financing Sources
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Amended	Budgetary Basis	
Property Taxes				
Current	\$ 36,840,635	\$ 36,840,635	\$ 36,998,353	\$ 157,718
Back Taxes	400,000	400,000	2,667,021	2,267,021
Interest and Lien Fees	161,571	161,571	1,039,393	877,822
Total Property Taxes	37,402,206	37,402,206	40,704,767	3,302,561
Intergovernmental				
Education Grants	3,677,011	3,677,011	3,676,953	(58)
Town Aid Road Grant	275,974	275,974	278,074	2,100
Grant in Lieu of Tax	108,327	108,327	108,327	-
Veteran Reimbursement	3,242	3,242	3,052	(190)
LOCIP Funds	96,280	96,280	57,600	(38,680)
Circuit Court	3,000	3,000	745	(2,255)
Disability Exemption	852	852	885	33
Revenue Sharing - CT	351,856	351,856	351,856	-
Other State and Federal Revenue	40,000	40,000	407,529	367,529
Mashantucket Pequot	30,000	30,000	-	(30,000)
Total Intergovernmental	4,586,542	4,586,542	4,885,021	298,479
Investment Income	270,000	270,000	15,548	(254,452)
Licenses and Permits				
Town Clerk	275,000	275,000	503,315	228,315
Building Permits	350,000	350,000	301,029	(48,971)
Planning and Zoning/ZBA	100,000	100,000	82,606	(17,394)
WPCA Sewer Hookups	120,000	120,000	140,600	20,600
Total Licenses and Permits	845,000	845,000	1,027,550	182,550
Charges for Goods and Services				
Sewer Use Fees	305,000	305,000	364,484	59,484
Sewer Interest	-	-	10,862	10,862
Total Charges for Goods and Services	305,000	305,000	375,346	70,346
Other Revenues				
Telecommunications Property Taxes	20,000	20,000	24,695	4,695
Library Revenue	2,000	2,000	325	(1,675)
Insurance Claims	20,000	20,000	79,103	59,103
Aircraft Registrations	67,970	67,970	32,640	(35,330)
Police Private Duty	55,000	55,000	107,080	52,080
Miscellaneous	40,000	40,000	135,640	95,640
Grants - Private Source	-	-	32,514	32,514
Towantic Energy Revenue	3,250,000	3,250,000	3,250,000	-
Total Other Revenues	3,454,970	3,454,970	3,661,997	207,027
Other Financing Sources				
Use of Fund Balance	1,305,000	1,595,422	-	(1,595,422)
Total Other Financing Sources	1,305,000	1,595,422	-	(1,595,422)
Total Revenues and Other Financing Sources	\$ 48,168,718	\$ 48,459,140	\$ 50,670,229	\$ 2,211,089

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Schedule of Expenditures and Other Financing Uses
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Amended	Budgetary Basis	
General Government				
Selectmen	\$ 494,181	\$ 500,181	\$ 491,221	\$ 8,960
Finance Department	341,227	341,227	325,528	15,699
Treasurer	6,519	6,519	7,927	(1,408)
Assessor	371,551	371,551	388,905	(17,354)
Tax Collector	235,158	235,158	222,814	12,344
Town Clerk	335,863	335,863	332,046	3,817
Building Department	237,945	237,945	236,160	1,785
Registrar of Voters	86,145	86,145	72,333	13,812
Town Counsel	118,000	311,792	311,792	-
Probate Court	6,195	6,195	6,195	-
Housing Authority	430	430	64	366
Assessment Board of Appeals	2,472	2,472	2,412	60
Board of Ethics	100	100	-	100
Economic Development	87,356	87,356	127,773	(40,417)
Board of Finance Contingency	300,000	79,742	-	79,742
Water Hydrant Charges	100,000	100,000	96,493	3,507
Planning and Zoning	234,394	234,394	192,167	42,227
Conservation Commission	181,238	181,238	178,685	2,553
Town Hall - S.B. Church	309,081	309,081	267,357	41,724
Total General Government	3,447,855	3,427,389	3,259,872	167,517
Conservation of Health				
Ambulance Corps	165,000	165,000	159,391	5,609
Lake Housatonic Authority	14,455	14,455	14,455	-
Lake Zoar Authority	19,783	19,783	19,783	-
Pomperaug Health District	127,499	127,499	127,499	-
Water Pollution Control Authority	777,337	777,337	764,280	13,057
Health and Social Services	20,470	20,470	18,265	2,205
Total Conservation of Health	1,124,544	1,124,544	1,103,673	20,871
Public Safety				
Fire Department	451,024	460,024	483,773	(23,749)
Fire Marshal	213,781	213,781	211,438	2,343
Police Department	2,509,337	2,509,337	2,507,366	1,971
Civil Preparedness	15,092	15,092	14,504	588
Dog Warden	78,922	78,922	78,515	407
Emergency Communications	143,972	143,972	139,025	4,947
Total Public Safety	3,412,128	3,421,128	3,434,621	(13,493)

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Schedule of Expenditures and Other Financing Uses
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Budgetary Basis	Variance
	Original	Amended		
Public Activities				
Elderly Commission	366,582	366,582	284,573	82,009
Park and Recreation	554,092	554,092	470,170	83,922
Civic Activities	13,000	13,000	13,000	-
Cultural and Arts Commission	3,000	3,000	2,912	88
Total Public Activities	936,674	936,674	770,655	166,019
Public Works				
Wages	1,697,544	1,716,203	1,698,751	17,452
Highway Maintenance	1,129,488	1,110,829	998,476	112,353
Street Lighting	25,000	25,000	24,007	993
Administration and General	92,436	92,436	84,954	7,482
Tree Warden	170,682	170,682	170,256	426
Total Public Works	3,115,150	3,115,150	2,976,444	138,706
Solid Waste	419,859	419,859	384,239	35,620
Education	31,447,629	31,647,629	31,578,047	69,582
Library	608,385	608,385	543,242	65,143
Capital Outlay	13,300	90,089	108,889	(18,800)
Debt Service				
Principal	1,180,000	1,180,000	2,150,000	(970,000)
Interest	1,238,224	1,238,224	623,674	614,550
Total Debt Service	2,418,224	2,418,224	2,773,674	(355,450)
Other				
Employee Benefits	153,747	174,715	174,715	-
Insurance	321,223	319,404	319,404	-
Total Other	474,970	494,119	494,119	-
Grants	-	5,950	357,814	(351,864)
Other Financing Uses				
Capital Nonrecurring Fund Appropriation	750,000	750,000	750,000	-
Total Expenditures and Other Financing Uses	\$ 48,168,718	\$ 48,459,140	\$ 48,535,289	\$ (76,149)

See accountant's report.

TOWN OF OXFORD, CONNECTICUT

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2021

	SPECIAL REVENUE FUNDS					
	<u>Educational Grants Fund</u>	<u>Hot Lunch Program</u>	<u>Special Activities Fund</u>	<u>Dog License Fund</u>	<u>Board of Education Central Activities Fund</u>	<u>Student Activities Fund</u>
Assets						
Cash and Cash Equivalents	\$ 878,463	\$ 1,046	\$ 31,152	\$ -	\$ 808,844	\$ 187,153
Receivables, Net	190,252	93,572	-	-	6,206	-
Inventory	-	11,069	-	-	-	-
Due from Other Funds	-	-	556,381	41,988	-	-
Total Assets	<u>\$ 1,068,715</u>	<u>\$ 105,687</u>	<u>\$ 587,533</u>	<u>\$ 41,988</u>	<u>\$ 815,050</u>	<u>\$ 187,153</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable and Accrued Items	\$ 42,109	\$ 92,688	\$ -	\$ 5,075	\$ 269,094	\$ -
Unearned Revenue	51,173	-	-	-	-	-
Due to Other Funds	829,583	-	-	-	43,981	-
Total Liabilities	<u>922,865</u>	<u>92,688</u>	<u>-</u>	<u>5,075</u>	<u>313,075</u>	<u>-</u>
Fund Balances:						
Restricted	-	-	587,533	36,913	-	187,153
Committed	145,850	12,999	-	-	501,975	-
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>145,850</u>	<u>12,999</u>	<u>587,533</u>	<u>36,913</u>	<u>501,975</u>	<u>187,153</u>
Total Liabilities and Fund Balances	<u>\$ 1,068,715</u>	<u>\$ 105,687</u>	<u>\$ 587,533</u>	<u>\$ 41,988</u>	<u>\$ 815,050</u>	<u>\$ 187,153</u>

See accountant's report.

TOWN OF OXFORD, CONNECTICUT

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2021

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS		
	Land Acquisition Fund	Small Cities	GOMS Renovation Fund	Library Construction	Total
Assets					
Cash and Cash Equivalents	\$ 961,160	\$ 42,163	\$ -	\$ -	\$ 2,909,981
Receivables, Net	-	280,179	-	-	570,209
Inventory	-	-	-	-	11,069
Due from Other Funds	571,767	-	-	-	1,170,136
Total Assets	<u>\$ 1,532,927</u>	<u>\$ 322,342</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,661,395</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable and Accrued Items	\$ -	\$ -	\$ 15,000	\$ -	\$ 423,966
Unearned Revenue	-	-	-	-	51,173
Due to Other Funds	-	7,951	884,204	359,081	2,124,800
Total Liabilities	<u>-</u>	<u>7,951</u>	<u>899,204</u>	<u>359,081</u>	<u>2,599,939</u>
Fund Balances:					
Restricted	961,160	314,391	-	-	2,087,150
Committed	571,767	-	-	-	1,232,591
Unassigned	-	-	(899,204)	(359,081)	(1,258,285)
Total Fund Balances	<u>1,532,927</u>	<u>314,391</u>	<u>(899,204)</u>	<u>(359,081)</u>	<u>2,061,456</u>
Total Liabilities and Fund Balances	<u>\$ 1,532,927</u>	<u>\$ 322,342</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,661,395</u>

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	SPECIAL REVENUE FUNDS					
	Educational Grants Fund	Hot Lunch Program	Special Activities Fund	Dog License Fund	Board of Education Central Activities Fund	Student Activities Fund
Revenues						
Intergovernmental Revenues	\$ 709,336	\$ 375,492	\$ 5,500	\$ -	\$ 1,290	\$ -
Licenses, Permits and Charges for Services	23,684	20,721	389,549	9,317	63,184	204,183
Investment Income	-	-	-	-	-	-
Other Revenue	-	-	-	2,148	-	-
Total Revenues	<u>733,020</u>	<u>396,213</u>	<u>395,049</u>	<u>11,465</u>	<u>64,474</u>	<u>204,183</u>
Expenditures						
Current:						
General Government	-	-	-	20,900	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Activities	-	-	236,844	-	-	-
Recreation	-	-	-	-	-	-
Education	696,338	399,330	-	-	73,329	189,933
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>696,338</u>	<u>399,330</u>	<u>236,844</u>	<u>20,900</u>	<u>73,329</u>	<u>189,933</u>
Excess/(Deficiency) of Revenues Over Expenditures	36,682	(3,117)	158,205	(9,435)	(8,855)	14,250
Other Financing Sources/(Uses)						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	36,682	(3,117)	158,205	(9,435)	(8,855)	14,250
Fund Balances at Beginning of Year, as Restated	109,168	16,116	429,328	46,348	510,830	172,903
Fund Balances at End of Year	<u>\$ 145,850</u>	<u>\$ 12,999</u>	<u>\$ 587,533</u>	<u>\$ 36,913</u>	<u>\$ 501,975</u>	<u>\$ 187,153</u>

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	<u>SPECIAL REVENUE FUNDS</u>		<u>CAPITAL PROJECTS FUNDS</u>		
	<u>Land Acquisition Fund</u>	<u>Small Cities</u>	<u>GOMS Renovation Fund</u>	<u>Library Construction</u>	<u>Total</u>
Revenues					
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ 1,091,618
Licenses, Permits and Charges for Services	54,680	-	-	-	765,318
Investment Income	1,579	-	-	-	1,579
Other Revenue	-	-	-	-	2,148
Total Revenues	<u>56,259</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,860,663</u>
Expenditures					
Current:					
General Government	-	1,000	-	-	21,900
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Activities	-	-	-	-	236,844
Recreation	-	-	-	-	-
Education	-	-	-	-	1,358,930
Capital Outlay	<u>7,134</u>	<u>-</u>	<u>1,299,204</u>	<u>-</u>	<u>1,306,338</u>
Total Expenditures	<u>7,134</u>	<u>1,000</u>	<u>1,299,204</u>	<u>-</u>	<u>2,924,012</u>
Excess/(Deficiency) of Revenues Over Expenditures	49,125	(1,000)	(1,299,204)	-	(1,063,349)
Other Financing Sources/(Uses)					
Transfers In	-	-	400,000	-	400,000
Transfers Out	-	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>-</u>	<u>400,000</u>
Net Change in Fund Balances	49,125	(1,000)	(899,204)	-	(663,349)
Fund Balances at Beginning of Year, as Restated	<u>1,483,802</u>	<u>315,391</u>	<u>-</u>	<u>(359,081)</u>	<u>2,724,805</u>
Fund Balances at End of Year	<u>\$ 1,532,927</u>	<u>\$ 314,391</u>	<u>\$ (899,204)</u>	<u>\$ (359,081)</u>	<u>\$ 2,061,456</u>

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Schedule by Source
Capital Assets Used in the Operation of Governmental Funds
For the Year Ended June 30, 2021

Function	Land	Improvements	Equipment	Infrastructure	Total
General Government	\$ 601,361	\$ 4,662,686	\$ 131,582	\$ -	\$ 5,395,629
Conservation of Health	180,522	2,417,420	177,455	-	2,775,397
Public Safety	12,900	2,878,798	8,735,285	-	11,626,983
Public Activities	1,811,571	1,555,646	28,395	318,030	3,713,642
Public Works	4,889	953,605	4,010,247	53,903,389	58,872,130
Solid Waste	-	-	42,000	8,830,619	8,872,619
Education	4,257,111	115,751,223	849,397	-	120,857,731
Total Capital Assets	\$ 6,868,354	\$ 128,219,378	\$ 13,974,361	\$ 63,052,038	\$ 212,114,131

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Schedule of Changes
Capital Assets Used in the Operation of Governmental Funds
For the Year Ended June 30, 2021

Function	Beginning Balance	Additions	Deletions	Ending Balance
General Government	\$ 5,367,845	\$ 27,784	\$ -	\$ 5,395,629
Conservation of Health	2,775,397	-	-	2,775,397
Public Safety	11,452,605	317,378	143,000	11,626,983
Public Activities	3,713,642	-	-	3,713,642
Public Works	58,256,552	615,578	-	58,872,130
Solid Waste	8,872,619	-	-	8,872,619
Education	109,635,601	11,222,130	-	120,857,731
Total Capital Assets	<u>\$ 200,074,261</u>	<u>\$ 12,182,870</u>	<u>\$ 143,000</u>	<u>\$ 212,114,131</u>

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Schedule of Property Taxes Levied, Collected, and Outstanding
For the Year Ended June 30, 2021

List of 10/1:	Outstanding July 1, 2020	Current Levy	Lawful Corrections		Collectible Taxes	Collections During the Year				Transfers to Suspense	Outstanding June 30, 2021
			Additions	Deductions		Taxes	Interest	Liens	Total		
2019		\$ 37,489,285	\$ 725,130	\$ 122,168	\$ 38,092,247	\$ 37,626,403	\$ 94,246	\$ 258	\$ 37,720,907	\$ -	\$ 465,844
2018	\$ 810,807	-	604,550	613,449	801,908	524,682	216,175	932	741,789	1,110	276,116
2017	295,029	-	1,299,106	678	1,593,457	1,410,231	623,211	356	2,033,798	4,739	178,487
2016	169,845	-	64	693	169,216	50,827	21,054	270	72,151	2,326	116,063
2015	113,807	-	-	253	113,554	11,538	12,260	70	23,868	3,278	98,738
2014	88,375	-	-	-	88,375	13,121	11,148	120	24,389	1,188	74,066
2013	74,300	-	-	-	74,300	11,594	14,206	72	25,872	731	61,975
2012	79,513	-	-	118	79,395	10,918	8,258	133	19,309	986	67,491
2011	62,590	-	-	-	62,590	2,619	4,073	52	6,744	836	59,135
2010	63,505	-	-	-	63,505	2,066	3,443	49	5,558	1,331	60,108
2009	51,310	-	-	-	51,310	1,169	1,097	25	2,291	8,375	41,766
2008	34,440	-	-	-	34,440	428	2,563	24	3,015	3,338	30,674
2007	23,888	-	-	-	23,888	158	95	6	259	1,166	22,564
2006	21,737	-	-	-	21,737	52	121	24	197	1,174	20,511
2005	22,054	-	-	-	22,054	-	-	-	-	-	22,054
	\$ 1,911,200	\$ 37,489,285	\$ 2,628,850	\$ 737,359	\$ 41,291,976	39,665,806	1,011,950	2,391	40,680,147	\$ 30,578	\$ 1,595,592
Net Grand List - October 1, 2019					Total Suspense Collections	3,714	5,978	32	9,724		
Tax Rate: 23.84 mills					Total Collections	\$ 39,669,520	\$ 1,017,928	\$ 2,423	\$ 40,689,871		

See accountant's report.

TOWN OF OXFORD, CONNECTICUT

Schedule of Debt Limitation

June 30, 2021

Total Tax Collections, Including Interest and Lien Fees - Prior Fiscal Year	\$ 37,038,266
Reimbursement for Revenue Loss on:	
Tax Relief for Elderly and Disabled - Prior Fiscal Year	<u>885</u>
Base	<u>\$ 37,039,151</u>

	<u>General Purposes</u> (2.25 x base)	<u>Schools</u> (4.50 x base)	<u>Sewers</u> (3.75 x base)	<u>Urban Renewal</u> (3.25 x base)	<u>Pension Deficit</u> (3.00 x base)
Debt Limitation:					
Statutory Debt Limits by Function	<u>\$ 83,338,090</u>	<u>\$ 166,676,180</u>	<u>\$ 138,896,816</u>	<u>\$ 120,377,241</u>	<u>\$ 111,117,453</u>
Indebtedness:					
Bonds Payable**	11,371,890	36,048,110	-	-	-
Authorized But Unissued Debt	<u>935,000</u>	<u>3,581,334</u>			
Total Indebtedness	<u>12,306,890</u>	<u>39,629,444</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Debt*	<u>\$ 71,031,200</u>	<u>\$ 127,046,736</u>	<u>\$ 138,896,816</u>	<u>\$ 120,377,241</u>	<u>\$ 111,117,453</u>

**Includes Bond Anticipation Notes of \$18,910,000.

*In no event shall total debt exceed seven times annual receipts from base. The maximum amount permitted under this formula would be approximately \$259,274,057.

See accountant's report.

**Other
Supplementary
Information**

TOWN OF OXFORD, CONNECTICUT
 Schedule of Assessed Value of Taxable Property
 Last Ten Fiscal Years

Grand List October 1,	Real Property (%)	Personal Property (%)	Motor Vehicle (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Percent Changed
2019	81.4%	10.3%	8.3%	\$ 1,620,540,568	\$ 61,783,221	\$ 1,558,757,347	1.06%
2018	80.9%	11.0%	8.1%	1,598,067,850	55,700,120	1,542,367,730	2.93%
2017	83.6%	8.8%	7.6%	1,548,608,955	50,078,364	1,498,530,591	1.46%
2016	84.0%	8.0%	8.0%	1,498,546,100	21,588,024	1,476,958,076	2.19%
2015	84.5%	7.5%	8.0%	1,463,102,350	17,838,440	1,445,263,910	0.19%
2014	85.1%	6.8%	8.1%	1,458,179,117	15,600,960	1,442,578,157	1.14%
2013	85.3%	6.9%	7.8%	1,442,702,265	16,435,710	1,426,266,555	1.27%
2012	85.7%	6.7%	7.6%	1,425,341,100	16,988,430	1,408,352,670	0.38%
2011	85.7%	6.7%	7.6%	1,415,840,194	12,876,160	1,402,964,034	0.44%
2010	85.8%	6.9%	7.3%	1,408,276,150	11,469,760	1,396,806,390	-4.88%

Source: Assessor's Office, Town of Oxford, as of October 1 (before Supplemental Motor Vehicle)

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Schedule of Principal Taxpayers
Last Fiscal Year

Taxpayer	Nature of Business	Assessed Value	Percent of Net Taxable Grand List
Algonquin Gas Transmission LLC	Utility	\$ 67,496,800	4.33%
Eversource (Formerly CL&P)	Utility	45,751,030	2.94%
Co-Generation Interconnect	Utility	24,266,940	1.56%
Oxford Towne Center LLC	Commercial Real Estate	17,817,300	1.14%
CPV Towantic LLC	Power Company	10,205,400	0.65%
Roller Bearing Company of America Inc.	Manufacturer	6,608,850	0.42%
Firstlight Hydro Generation Co.	Power Company	5,043,500	0.32%
HF Industrial Park Limited Partnership	Commercial Real Estate	4,969,400	0.32%
Glendale at Oxford LLC	Retirement Home	4,575,554	0.29%
Yankee Gas Services	Utility	4,556,410	0.29%
		<u>\$ 191,291,184</u>	<u>12.27%</u>

Source: Assessor's Office, Town of Oxford

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
 Schedule of Tax Levy Collections
 Last Ten Fiscal Years

Grand List October 1,	Fiscal Year Ending June 30,	Net Taxable Grand List	Mill Rate	Adjusted Tax Levy	Percent Collected in Year Due	Uncollected (Pro Forma)	
						Percent Uncollected in Year Due	Percent Uncollected as of 8/31/21
2019	2021	\$ 1,558,757,347	23.84	\$ 38,092,247	98.8%	1.2%	1.0%
2018	2020	1,542,367,730	23.84	37,315,720	97.8%	2.2%	0.7%
2017	2019	1,498,530,591	23.05	34,809,326	98.7%	1.3%	-3.2%
2016	2018	1,476,958,076	22.21	32,984,156	98.7%	1.3%	0.1%
2015	2017	1,445,263,910	24.21	35,247,753	98.4%	1.6%	0.2%
2014	2016	1,442,578,157	24.96	35,641,351	98.4%	1.6%	0.6%
2013	2015	1,426,266,555	24.87	35,758,406	98.5%	1.5%	0.5%
2012	2014	1,408,352,670	24.75	35,064,485	98.4%	1.6%	0.4%
2011	2013	1,402,964,034	24.10	33,320,400	98.1%	1.9%	0.4%
2010	2012	1,396,806,390	23.21	32,456,789	98.1%	1.9%	0.4%

Source: Tax Collector's Office and Assessor's Office, Town of Oxford

* Collections greater than adjusted tax levy due to a personal property tax audit.

See accountant's report.

TOWN OF OXFORD, CONNECTICUT
Ratios of General Fund Long-Term Debt to
Valuation, Population, and Income
Last Ten Fiscal Years

Fiscal Year Ending June 30,	Net Assessed Value	Estimated Full Value	General Fund Long-Term Debt	Ratio of General Fund Long-Term Debt to Assessed Value	Ratio of General Fund Long-Term Debt to Estimated Full Value	General Fund Long-Term Debt Per Capita	Ratio of General Fund Long-Term Debt per Capita to Per Capita Income
2021	\$ 1,558,757,347	\$ 2,226,796,210	\$ 47,420,000 *	3.04%	2.13%	\$ 3,578	7.49%
2020	1,542,367,730	2,203,382,471	49,570,000 *	3.21%	2.25%	3,748	8.52%
2019	1,498,530,591	2,140,757,987	22,620,000	1.51%	1.06%	1,735	4.06%
2018	1,476,958,076	2,109,940,109	24,805,000	1.68%	1.18%	1,920	4.88%
2017	1,445,263,910	2,064,662,729	18,215,000	1.26%	0.88%	1,415	3.59%
2016	1,442,578,157	2,060,825,939	19,900,000	1.38%	0.97%	1,569	3.67%
2015	1,426,266,555	2,037,523,650	21,605,000	1.51%	1.06%	1,706	3.99%
2014	1,408,352,670	2,011,932,386	23,255,000	1.65%	1.16%	1,837	4.30%
2013	1,402,964,034	2,004,234,334	24,855,000	1.77%	1.24%	1,963	4.60%
2012	1,396,806,390	1,995,437,700	26,520,000	1.90%	1.33%	2,094	4.90%

*Includes Bond Anticipation Notes of \$18,910,000

See accountant's report.

TOWN OF OXFORD, CONNECTICUT

Schedule of Debt Statistics

For the Year Ended June 30, 2021

Population	13,255
Net Taxable 2019 Grand List	\$ 1,558,757,347
Estimated Full Value 2019 Grand List	\$ 2,226,796,210
Equalized Net 2019 Grand List	\$ 2,426,456,708

	<u>Total Direct Debt</u>	<u>Net Direct Debt</u>	<u>Total Net Overall Debt</u>
Total Debt	\$ 47,420,000	\$ 47,420,000	\$ 47,420,000
Per Capita	3,578	3,578	3,578
Total Debt to Net Taxable 2019 Grand List	3.04%	3.04%	3.04%
Total Debt to Estimated Full Value 2019 Grand List	2.13%	2.13%	2.13%
Total Debt to Equalized Net 2019 Grand List	1.95%	1.95%	1.95%

Total Debt at June 30, 2021

Long-Term Debt	
Bonds	\$ 28,510,000
Bond Anticipation Notes*	18,910,000
Short-Term Debt	
Bond Anticipation Notes	<u> -</u>
Total	<u>\$ 47,420,000</u>

*Bond Anticipation Notes converted into long-term debt subsequent to year-end and included with long-term debt.

See accountant's report.